



SIDE EVENT

High-level policy dialogue on capitalizing on the nexus between climate change and public budget for resilient economies in Africa

Background

Climate change is a consequence of how global economies have been configured over the years. The adverse impacts of climate change, such as more frequent and intense droughts, floods and heat waves, significantly affect economic growth and private sector development in African countries. This, in turn, negatively affects human lives and livelihoods. Climate change also results in lower levels of employment and declining fiscal revenue, especially in Africa where economies rely heavily on climate-sensitive sectors, such as agriculture. This revenue is essential for public investment in sustainable infrastructure and public services, including initiatives that contribute to adaptation and mitigation of climate change. Furthermore, extreme events emanating from climate change are forcing Governments to divert budgetary resources to unplanned emergency actions and risk, which impedes, and even reverses, development gains made in recent decades.

All African countries have submitted nationally determined contributions (NDCs) to climate action under the framework of the Paris Agreement. Based on an assessment of the NDCs of Africa, the Economic Commission for Africa (ECA) has estimated that approximately \$3 trillion is required to finance conditional and unconditional actions. Unconditional climate actions are to be financed from national budgets. Indeed, many African

countries are already spending between 2 and 9 per cent of their gross domestic product (GDP) to adapt to climate change, even though budget allocations are increasingly tight because of demand for limited public resources needed for health, education and other essential services.

Objective

The principal objective of this high-level policy dialogue is to bring together African ministers of finance and planning and other stakeholders to discuss effective ways African countries can use budgetary and planning functions to leverage limited public resources to mobilize private and external funds for investments towards making their economies sustainable and climate resilient. For example, one area that may be explored during the event is how countries are using cross-sectoral approaches to assist in integrated planning and implementation of climate actions in the context of development priorities across the agriculture, land use and water sectors.

Expected outcomes

Insights on good practices in planning, organizational and institutional processes to inform transformative thinking on widening the fiscal space to finance unconditional climate actions under the Paris Agreement.

Target audience

- African ministers of finance and planning
- Development partners
- Development banks
- Project developers

Venue, date and time

- Roseaie, Palmeraie Golf Palace, Marrakech, Morocco
- 9-11 a.m., 23 March 2019

For further information, please contact

Linus Mofor
Senior Environmental Affairs Officer (Energy,
Infrastructure and Climate Change)
African Climate Policy Centre
Special Initiatives Division
Economic Commission for Africa
Tel.: +251 115 445244
Email: mofor@un.org